

Missouri Mass Layoff Review

1st Quarter, 2005

**Michael Muin, Research Analyst
Mass Layoff Statistics Program**

The Mass Layoff Statistics (MLS) program is a Federal-State cooperative statistical effort which uses a standardized, automated approach to identify, describe, and track the effects of major job cutbacks, using data from each state's unemployment insurance database. Establishments which have at least 50 initial claims for unemployment insurance (UI) filed against them during a consecutive 5-week period are contacted by state agencies to determine whether those separations are of at least 31 days duration. This scenario constitutes one layoff event. *Seasonal events are not included in this report.*

In the first quarter of 2005, Missouri businesses experienced 17 mass layoff events, with 2,924 workers separated from their jobs for more than 30 days. By comparison, there were six mass layoff events in the fourth quarter of 2004, with 2,105 worker separations.

Quarter	Events	Separations
2005		
1st Quarter	17	2,924
2004		
1st Quarter	6	550
2nd Quarter	10	1,225
3rd Quarter	11	1,481
4th Quarter	6	2,105
TOTALS	33	5,361
2003		
1st Quarter	14	4,086
2nd Quarter	16	3,725
3rd Quarter	9	1,547
4th Quarter	6	748
TOTALS	45	10,106
2002		
1st Quarter	15	1,753
2nd Quarter	16	2,228
3rd Quarter	15	3,141
4th Quarter	16	3,617
TOTALS	62	10,739
2001		
1st Quarter	11	1,708
2nd Quarter	20	4,138
3rd Quarter	22	4,603
4th Quarter	22	2,183
TOTALS	75	12,632

Industry

The manufacturing sector of Missouri's economy accounted for nine layoff events with 2,061 (70%) separations. Other industries with layoff events were: construction (3), retail trade (2), arts, entertainment, and recreation (1), finance and insurance (1), and information (1).

Industry	1 st Quarter, 2005	
	Events	Separations
Manufacturing	9	2,061
Construction	3	265
Retail Trade	2	227
Arts, Entertainment, Recreation	1	93
Finance and Insurance	1	53
Information	1	225
TOTALS	17	2,924

Reason for Layoff

Several reasons exist which employers can provide to explain a layoff event. The reasons provided by employers for the first quarter 2005 events were: slack work (4), reorganization within company (3), weather-related (3), financial difficulty (1), labor dispute (1), bankruptcy (1), and product line discontinued (1).

Reorganization within the company accounted for the majority of separations with 1,277 (51%). Three layoffs qualifying as mass events refused to provide the layoff reason or did not know.

Reason for Layoff	1 st Quarter, 2005	
	Events	Separations
Slack Work	4	720
Reorganization w/in company	3	1,277
Data not provided	3	353
Weather-related	3	265
Financial Difficulty	1	105
Labor Dispute	1	93
Bankruptcy	1	61
Product Line Discontinued	1	50
TOTALS	17	2,924

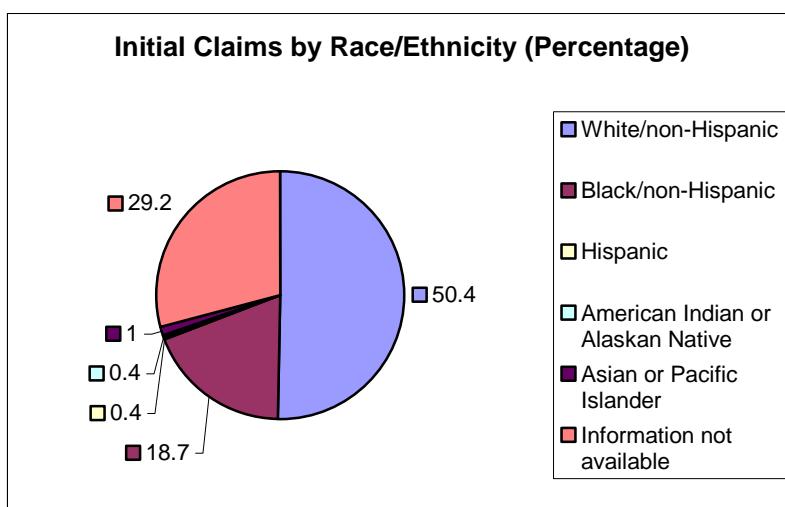
Employment Size

Based on employment size, four mass layoff events involved businesses with 100-249 employees, four mass layoff events involved businesses with 250-499 employees, four events for businesses with 500-999, and five events for businesses with over 999 employees. Businesses with over 999 employees that experienced mass layoff events in the first quarter 2005 accounted for 1,555 (53%) separations.

Employment Size	1 st Quarter, 2005	
	Events	Separations
0-99	0	0
100-249	4	272
250-499	4	577
500-999	4	520
Over 999	5	1,555
TOTALS	17	2,924

Initial Claimant Characteristics

Race/Ethnicity- There were 3,505 initial claims for unemployment insurance related to the 17 mass layoff events in the first quarter 2005. Of these, 1,767 (50.4%) were White/non-Hispanic, 655 (18.7%) were Black/non-Hispanic, 14 (0.4%) were Hispanic, 13 (0.4%) were American Indian or Alaskan Native, 34 (1%) were Asian or Pacific Islander, and 1,022 (29.2%) did not have race information available.



Gender- The number of men who filed initial claims for unemployment insurance for the layoff events in the first quarter 2005 more than doubled the number of women. There were 2,367 (67.5%) men, compared to 1,127 (32.2%) women.

Initial Claims by Workforce Investment Area

A majority of initial claims associated with layoff events in the first quarter 2005 were found around the two major metropolitan areas. The St. Louis metropolitan area, which includes the Workforce Investment Areas of St. Louis County, St. Louis City, St. Charles County and the Jefferson/Franklin Counties accounted for 2,351 (82%) claims. Most of these were concentrated to St. Louis County.

The out-of-state and multi-state claims accounted for 634 (22%) initial claims. The Kansas City Vicinity and East Jackson County totaled 229 (8%) claims. Initial claim filing is based on place of residence.

